UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111th Congress ¹

[Date approved: March 25, 2010]²

Bill No. and sponsor: S. 2334 (Mr. John Kerry of Massachusetts et al.).

Proponent name, location: Sporting Goods Manufacturers Association, Silver Spring, MD.

Other bills on product (111th Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Leather basketballs (provided for in subheading 9506.62.80)

Check one:	\underline{X} Same as that in bill as introduced.
	Different from that in bill as introduced (see Technical comments section)

Product information, including uses/applications and source(s) of imports:

Basketballs have covers made of different materials—namely, leather, rubber, or various man-made materials. All basketballs have a core composed of a butyl, natural, or combination rubber bladder (with molded inflation valve) that is subsequently wound with a polyester or nylon material to protect it and maintain its shape. A partially cured rubber carcass consisting of two half shells is placed over the wound core and cured under pressure in a hot mold. The carcasses for the subject leather basketballs are formed in molds that produce a smooth, black, round surface with raised ridges that provide channels for the cover material. Die-cut leather panels are then affixed with glue and hand-assembled into the channels so that a high pressure molding process ensures a tight bond of the leather cover materials to the carcass. Leather-covered basketballs are primarily designed for indoor use. Basketballs are typically produced in "youth," "intermediate," and "official" sizes.

China is the dominant import source and accounted for 85 percent of U.S. imports of basketballs in 2008, followed by Thailand (9 percent). Imports entering free of duty under the Generalized System of Preferences (GSP) accounted for 4 percent of total U.S. imports in 2008, with nearly all GSP imports entering from Thailand. Separate data are not available for imports of basketballs by type of cover material.

Industry analyst preparing report: Ralph Watkins (202-205-34392); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff affairs/congress reports/.

The proponent identified 22 additional beneficiaries of this bill. The USITC sent inquiries to the additional beneficiaries and received responses from five. Three of these five submitted a written representation that they would benefit from this bill.

⁴ Heading 9902.13.08, which expired at the end of 2009, had afforded duty-free entry to the subject goods

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 9506.62.80:

$\bigg \backslash \! \bigg \backslash$	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4.8%	4.8%	4.8%	4.8%	4.8%
Estimated value dutiable imports ^a	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Customs revenue loss b	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000

a/ Dutiable import estimates were based on official U.S. Government statistics.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
		(Yes/No)			
Sporting Goods Manufacturers Association (Proponent) Bill Sells, 301-495-6321 ext. 417	11/30/2009	No	No	No	
Antioch Sporting Goods Steve Pipoly, 623-341-1221	12/01/2009	No	No	No	
Baden Sports Michael Schindler, 253-925-0500	12/01/2009	No	No	No	
Franklin Sports Larry Franklin, President, 781-344-1111	12/01/2009	No	No	No	
GameMaster Athletics Garrett Kamstra, 859-746-9800 ext. 107	12/02/2009	No	No	No	
K Concepts Kurt Kay, President, 717-843-3873	12/01/2009	No	No	No	
Markwort Sporting Goods Co. Herbert W. Markwort, 314-652-8935	12/01/2009	No	No	No	
Mikasa Sports USA Richard McCoy, 949-863-1588	12/01/2009	No	No	No	
Molten USA Inc. Leigh Ann Davis, 775-353-4000 ext. 217	12/01/2009	No	No	No	
NBA Properties Lauren Hendricks, 212-407-8000	12/01/2009	No	No	No	
Olympia Sports Bill Mulka, 734-761-5173	12/01/2009	No	No	No	
Park & Sun Ron Padilla, 303-935-8449	12/01/2009	No	No	No	

 $[\]overline{\underline{b}}$ / At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Rawlings Sporting Goods Robert Parish, 314-819-2801	12/01/2009	No	No	No
Reebok International Ltd. Erik Bodenhofer, 781-401-7288	12/01/2009	No	No	No
Spalding Robert Adikes, radikes@aol.com	12/01/2009	No	No	No
Sportcraft, Ltd. Mike May, mmay@sportcraft.com	12/01/2009	No	No	No
Sportime International Peter Savitz, psavitz@sportime.com	12/01/2009	No	No	No
Tachikara USA, Inc. Roger Revelle, 913-498-1881	12/01/2009	No	No	No
UniSource Global Solutions Carl Ferraro, 516-606-0605	12/01/2009	No	No	No
Wilson Sporting Goods Company Kevin McTernan, 773-714-6860	12/02/2009	No	No	No

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None.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.



111TH CONGRESS 1ST SESSION

S. 2334

To extend the temporary suspension of duty on leather basketballs.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. Kerry (for himself, Mr. Kirk, Mr. Bunning, and Mr. Ensign) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To extend the temporary suspension of duty on leather basketballs.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. LEATHER BASKETBALLS.
- 4 (a) In General.—Heading 9902.13.08 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 leather basketballs) is amended by striking the date in the
- 7 effective period column and inserting "12/31/2011".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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